



MICHAEL N. FEUER
CITY ATTORNEY

REPORT NO. R 1 3 - 0 3 5 5
DEC 10 2013

REPORT RE:

**DRAFT ORDINANCE AMENDING SECTIONS 22.811(a)(2) AND
22.810.1(b)(2)(C)(iii)(1) OF THE LOS ANGELES ADMINISTRATIVE CODE
REGARDING THE DEFINITION OF A NEIGHBORHOOD COUNCIL STAKEHOLDER**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 12-1682

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. This draft ordinance would amend Sections 22.811(a)(2) and 22.810.1(b)(2)(C)(iii)(1) of the Los Angeles Administrative Code (LAAC) to change the definition of "Stakeholder" in the Neighborhood Council system. If City Council adopts the attached ordinance, we recommend that Council also approve the attached Resolution, so that the changes to the LAAC will be reflected in, and consistent with, the Plan for a Citywide System of Neighborhood Councils.

Background and Summary of Ordinance Provisions

On October 1, 2013, City Council requested that our Office amend the definition of a "Stakeholder" in the Neighborhood Council system. City Council asked that we change the definition to reflect that membership will be open to anyone who lives, works or owns property in the neighborhood and also to anyone who declares a stake in the neighborhood as a Community Interest Stakeholder. "Community Interest Stakeholder"

is defined as a person who affirms a substantial and ongoing participation within the Neighborhood Council's boundaries and who participates in community organizations with areas of focus that include, but not limited to, educational, non-profit or religious. In addition, City Council requested that the term "own property" be defined to mean "own real property." The requested change is reflected in LAAC Section 22.811(a)(2), which states:

"that neighborhood council membership will be open to everyone who lives, works or owns real property in the neighborhood and also to those who declare a stake in the neighborhood as a community interest stakeholder, defined as a person who affirms a substantial and ongoing participation within the neighborhood council's boundaries and who may be in a community organization such as, but not limited to, educational, non-profit and/or religious organizations;"

In addition to changing the stakeholder definition, City Council also asked for certain changes to the Neighborhood Council board structure. Specifically, City Council asked that any at-large positions on the Neighborhood Council Board be open to all stakeholders and not simply community interest stakeholders. Thus, City Council asked to remove the requirement that Neighborhood Councils provide governing board positions reserved for Community Interest Stakeholders provided that there is an at large position for which all stakeholders may vote and run. In addition, City Council requested that Neighborhood Councils be allowed to "determine the number of governing board seats that will be allocated to the Community Interest Stakeholder." City Council also requested that the affirmation of those Community Interest Stakeholders proposed in the Neighborhood Councils by-laws be consistent with and equal to the affirmation required of stakeholders who live work or own property. The requested revision is reflected in LAAC Section 22.810.1(b)(2)(C)(iii)(1), which states:

"The governing body must, to the extent possible, reflect the diversity of the neighborhood council's stakeholders. All stakeholders must be eligible to vote and run for at least one board seat. Neighborhood councils may allocate their board seats to specific stakeholder categories and establish stakeholder eligibility requirements in voting for the board seats. If a neighborhood council allocates its board seats to specific stakeholder categories, then the neighborhood council must include at least one seat for which every stakeholder is eligible to vote and run. Neighborhood councils may not allocate a majority of their board seats to a single stakeholder group, unless approved by the Department upon a showing of extenuating circumstances. The election procedures created by the Department or City Clerk pursuant to Section 20.36 shall require, in a situation where neighborhood council requires that a stakeholders to provide proof of eligibility, that proof of stakeholder status for community interest stakeholders must

be consistent with and substantially equivalent to the evidentiary proof required of stakeholders who live, work or own property.”

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the Department of Neighborhood Empowerment and the City Clerk requesting that they address any comments they may have directly to the City Council when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Darren R. Martinez at (213) 978-8197. He or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By 

DAVE MICHAELSON
Chief Assistant City Attorney

DM:DRM:mg
Transmittal

ORDINANCE NO. _____

An ordinance amending subdivision (2) of Section 22.811(a) and sub-subparagraph 1 of Section 22.810.1(b)(2)(C)(iii) of the Los Angeles Administrative Code regarding the definition of a stakeholder in the neighborhood council system.

WHEREAS, neighborhood councils are comprised of stakeholders in a community and the term “stakeholder” is currently defined as an individual who “lives, works or owns property in the neighborhood and any individual who declares a stake in the neighborhood and affirms the factual basis for it;” and

WHEREAS, the current stakeholder definition, which allows a person to provide a factual basis for declaring a stake in a neighborhood, has the effect of allowing individuals with tenuous connections to a neighborhood to vote and run for a neighborhood council board seat; and

WHEREAS, the types of stakeholders listed as examples under Charter Section 906(a)(2), e.g., those that live, work or own property in the area, are examples of stakeholders who have substantial and ongoing connections to a neighborhood; and

WHEREAS, all stakeholders in the neighborhood council system should have similar qualities to the types of stakeholders listed as examples in the Charter, by having substantial and ongoing connections within a neighborhood; and

WHEREAS, the term “own property” in Charter Section 906(a)(2) should be limited to mean ownership of real property to comport with the intent of the voters in establishing the system of neighborhood councils.

NOW, THEREFORE,

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Subdivision (2) of Section 22.811(a) is amended in its entirety to read as follows:

(2) that neighborhood council membership will be open to everyone who lives, works or owns real property in the neighborhood and also to those who declare a stake in the neighborhood as a community interest stakeholder, defined as a person who affirms a substantial and ongoing participation within the neighborhood council’s boundaries and who may be in a community organization such as, but not limited to, educational, non-profit and/or religious organizations;

Sec. 2. Sub-subparagraph 1 of Section 22.810.1(b)(2)(C)(iii) of the Los Angeles Administrative Code is amended in its entirety to read as follows:

(1) The governing body must, to the extent possible, reflect the diversity of the neighborhood council's stakeholders. All stakeholders must be eligible to vote and run for at least one board seat. Neighborhood councils may allocate their board seats to specific stakeholder categories and establish stakeholder eligibility requirements in voting for the board seats. If a neighborhood council allocates its board seats to specific stakeholder categories, then the neighborhood council must include at least one seat for which every stakeholder is eligible to vote and run. Neighborhood councils may not allocate a majority of their board seats to a single stakeholder group, unless approved by the Department upon a showing of extenuating circumstances. The election procedures created by the Department or City Clerk pursuant to Section 20.36 shall require, in a situation where a neighborhood council requires that a stakeholders to provide proof of eligibility, that proof of stakeholder status for community interest stakeholders must be consistent with and substantially equivalent to the evidentiary proof required of stakeholders who live, work or own property.

Sec. 3. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of _____.

HOLLY L. WOLCOTT, Interim City Clerk

By _____ Deputy

Approved _____

Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By *Darren R. Martinez*
DARREN R. MARTINEZ
Deputy City Attorney

Date *12/16/2013*

File No. CF 12-1682

RESOLUTION

WHEREAS, on October 1, 2013, City Council requested that the Office of the City Attorney prepare and present a draft ordinance amending the definition of a stakeholder in the neighborhood council system; and

WHEREAS, the Plan for a Citywide System of Neighborhood Councils should also be amended to reflect these changes to the stakeholder definition.

NOW, THEREFORE, BE IT RESOLVED that the Plan for a Citywide System of Neighborhood Councils is hereby amended as follows:

1. Article II Section 1 of the Plan is amended in its entirety to read:

- 1. Inclusive Membership**

Certified Neighborhood Councils shall be diverse, inclusive and open to all Community Stakeholders. A Community Stakeholder is defined as any individual who lives, works or owns real property in the neighborhood and also to those who declare a stake in the neighborhood as a community interest stakeholder, defined as a person who affirms a substantial and ongoing participation within the neighborhood council's boundaries and who may be in a community organization such as, but not limited to, educational, non-profit and/or religious organizations.

2. Article III Section 2(c)(ii)(2)(a) of the Plan is amended in its entirety to read:

(a) A Neighborhood Councils governing body must, to the extent possible, reflect the diversity of the neighborhood council's stakeholders. All stakeholders must be eligible to vote and run for at least one board seat. Neighborhood councils may allocate their board seats to specific stakeholder categories and establish stakeholder eligibility requirements in voting for the board seats. If a neighborhood council allocates its board seats to specific stakeholder categories, then the neighborhood council must include at least one seat for which every stakeholder is eligible to vote and run. Neighborhood councils may not allocate a majority of their board seats to a single stakeholder group, unless approved by the Department upon a showing of extenuating circumstances. The election procedures created by the Department or City Clerk pursuant to the Los Angeles Administrative Code Section 20.36 shall require, in a situation where neighborhood council requires that a stakeholders to provide proof of eligibility, that proof of stakeholder status for community interest stakeholders must be consistent and substantially equivalent to the evidentiary proof required of stakeholders who live, work, or own property.